

Forum:[Hack Forums](#)

Thread: [Why You Should Create A Retirement Account Now!](#)

Kill Joy - November 26, 2016, 2:08 pm

I am creating this thread to convince you to open up retirement savings account. Why? Because the majority of the userbase is young. Young people are mostly reckless with money they have received. By putting away some of that money, your future self will thank you!

Here are a couple graphs showing you the potential money you can make if you start investing in your retirement now:

What kind of retirement accounts are there?

The two types of retirement accounts are sponsored by your employer and directed by yourself:

The most common type of an employer sponsored retirement plan is a 401k plan. Usually contributions are made directly from your paycheck into your 401k plan. Some employers will promise to match any contribution you make, up to a certain amount. There are limits to What you can contribute. The contribution for 2019 is \$19,000. If you are over the age of 50, your limits are higher. These can change year to year. The match from your employer does not count towards your personal limit!

An Individual Retirement Account (IRA) is the next most common account. This account is independent of your employer. The contribution limit for 2019 is \$6000, or \$6500 if you are over the age of 50.

Are there any taxes on these retirement plans?

There are two different types of taxes for these plans:

Traditional retirement accounts are pre-tax. This means the money you put in does not get taxed as income. However, the money you withdraw in retirement is treated as income that year.

Roth retirement accounts are post-tax. This means the money is taxed in the year you earned it. However, withdrawn money in retirement is not treated as income.

For both of these accounts, withdrawals for retirement are for when you have reached the age of 59 1/2. If you take money out before then, you will be hit with a fee/tax.

What one is right for me?

If you're currently in a low tax bracket, which is anything in the low 20% range or even lower, a Roth IRA is a good choice for you.

If you are in a high tax bracket or close to retirement, you should go with a traditional IRA. Why?

After their 40s or 50s, people tend to migrate to a lower tax bracket due to full or semi-retirement, taking on lower-paying but more meaningful work, or simply needing to draw less income if expenses have gone down. And since withdrawals from a traditional IRA are taxable as income as long as they're taken after age 59½, by choosing a traditional IRA you save again on the backside because you're taking out that money when you're in a lower tax bracket.

Here is a picture explaining:

Now you know what account you want to have, but where do you get one?

There are many different companies that have retirement account plans. Take a look at the ones reviewed here: <https://www.nerdwallet.com/blog/investing/the-best-roth-ira-account-providers/>

I personally use a Roth IRA account with Vanguard. You need a minimum of \$1000 to contribute to a retirement fund. Vanguard has lower expenses, lower turnover and more index funds. That means higher returns and something I am looking for as an early investor.

Early investors should consider taking on more risk. As they get older they should tone down their risk with investing as they are nearing retirement age.

What if you pass away before you retire?

It is wise to add a beneficiary to your retirement account. Beneficiaries can be your spouse, children, grandchildren, or anyone else you choose.

Sharjah - November 26, 2016, 2:11 pm

What if you die before retirement age?

webdev77 - November 26, 2016, 2:12 pm

Very nice thread, but I'm curious about your first graph. The Y-axis label says monthly savings. How many people who are 55+ can save more than \$60k a year? That's pretty much impossible unless you are earning more than \$100k a year at that point and have no kids living at home anymore.

Prophett - November 26, 2016, 2:12 pm

(Nov 26, 2016 03:11 PM)Vossen Wrote: [\[CITE\]](#) What if you die before retirement age? This. Do they keep the money?

Kill Joy - November 26, 2016, 2:12 pm

(Nov 26, 2016 03:11 PM)Vossen Wrote: [\[CITE\]](#) What if you die before retirement age?

You should name a beneficiary then. Beneficiaries can be your spouse or children if you would like.

(Nov 26, 2016 03:12 PM)webdev77 Wrote: [\[CITE\]](#) Very nice thread, but I'm curious about your first graph. The Y-axis label says monthly savings. How many people who are 55+ can save more than \$60k a year? That's pretty much impossible unless you are earning more than \$100k a year at that point and have no kids living at home anymore.

You are correct in saying it is very near impossible unless you have a very well-paying job.

The age of 55 is very near retirement age and since the person has not contributed any money towards their retirement, they will have to save up a hell of a lot more. Key point in why you should start saving earlier rather than later.

SIM-403479 - November 28, 2016, 7:55 am

I have already started to pay in to a pension scheme (retirement fund).

You save tax on the payments you make now and you also get contributions from the employer and pension providers etc.

It is definitely worth starting if you haven't already.

Kill Joy - November 28, 2016, 8:06 am

(Nov 28, 2016 08:55 AM)Jamieeee Wrote: [\[CITE\]](#) I have already started to pay in to a pension scheme (retirement fund).

You save tax on the payments you make now and you also get contributions from the employer and pension providers etc.

It is definitely worth starting if you haven't already.
What is it called?

SIM-403479 - November 28, 2016, 8:57 pm

(Nov 28, 2016 09:06 AM)Kill Joy Wrote: [\[CITE\]](#) What is it called?
What is what called? My pension scheme?

Bluffer - November 28, 2016, 8:59 pm

My optometrist is a millionaire and he was trying to tell me about this like 2 years ago, just seems like a pain in the ass honestly.

Kill Joy - November 28, 2016, 9:05 pm

(Nov 28, 2016 09:59 PM)?luffer Wrote: [\[CITE\]](#) My optometrist is a millionaire and he was trying to tell me about this like 2 years ago, just seems like a pain in the ass honestly.
How is it a pain in the ass to set aside a some money? It's just like depositing it into your savings account with your bank.

Bluffer - November 28, 2016, 9:32 pm

(Nov 28, 2016 10:05 PM)Kill Joy Wrote: [\[CITE\]](#) How is it a pain in the ass to set aside a some money? It's just like depositing it into your savings account with your bank.
Banks ask questions that I can not answer.

SIM-403479 - November 29, 2016, 7:29 am

(Nov 28, 2016 10:32 PM)?luffer Wrote: [\[CITE\]](#) Banks ask questions that I can not answer.
It isn't the bank. You literally transfer it in to a pension. No questions asked.

webdev77 - November 29, 2016, 7:30 am

(Nov 28, 2016 10:32 PM)?luffer Wrote: [\[CITE\]](#) Banks ask questions that I can not answer.
Sounds shady. If you can't answer, find the help of someone who can.

A few hundred thousand dollars is definitely worth the time.

SIM-3341619 - November 29, 2016, 11:07 am

Interesting post I have learned about this before, for myself I like to see my money doing something rather than sitting in a bank and waiting for 60 years for it to turn into one million. We all can die at any given moment so I think it's best for everyone to invest your money into building your own skillsets and monetizing that. Although I am not saying this is a bad idea at all.

Sholi - November 29, 2016, 12:23 pm

Screw that, save some capital aka transfer atleast 25% or more of your income every month to your savings account until you have atleast 100k and then invest.

Make money, then use that money to make more money. Don't let it die with you.

Kill Joy - November 29, 2016, 12:24 pm

(Nov 29, 2016 01:23 PM)The Ebook Giant Wrote: [\[CITE\]](#) Screw that, save some capital aka transfer atleast 25% or more of your income every month to your savings account until you have atleast 100k and then invest.

Make money, then use that money to make more money. Don't let it die with you.

What happens if you lose your capital? Why can't you do both? It's not hard to throw some money into a retirement account that will grow over time.

Sholi - November 29, 2016, 12:28 pm

(Nov 29, 2016 01:24 PM)Kill Joy Wrote: [\[CITE\]](#) What happens if you lose your capital? Why can't you do both? It's not hard to throw some money into a retirement account that will grow over time. Because I don't want to throw that capital away. I'll die of old age before it gets to \$100,000.

Kill Joy - November 29, 2016, 12:34 pm

(Nov 29, 2016 01:28 PM)The Ebook Giant Wrote: [\[CITE\]](#) Because I don't want to throw that capital away. I'll die of old age before it gets to \$100,000.

Then you're definitely doing something wrong. It'll take you 18 years contributing \$5500 a year to reach \$100k. That's without growth completely.

Sholi - November 29, 2016, 12:46 pm

(Nov 29, 2016 01:34 PM)Kill Joy Wrote: [\[CITE\]](#) Then you're definitely doing something wrong. It'll take you 18 years contributing \$5500 a year to reach \$100k. That's without growth completely. True, but my post was only an example.

You could save a larger portion of your income and keep it untouched until you reach a certain amount and then you invest and repeat. It's the only way you'll grow your capital by a good margin.

If you just leave it there, you'll die of old age before you see any significant returns. It's the "just take a small amount and leave it there, no harm done, it'll grow" statement that keeps you from taking risks and growing your capital like you should.

Kill Joy - November 29, 2016, 12:56 pm

(Nov 29, 2016 01:46 PM)The Ebook Giant Wrote: [\[CITE\]](#) True, but my post was only an example.

You could save a larger portion of your income and keep it untouched until you reach a certain amount and then you invest and repeat. It's the only way you'll grow your capital by a good margin.

If you just leave it there, you'll die of old age before you see any significant returns. It's the "just take a small amount and leave it there, no harm done, it'll grow" statement that keeps you from taking risks and growing your capital like you should.

I understand what you're saying, but you don't just leave your money sitting there. It can get invested into almost anything you would be able to in the stock market. A lot of people use Vanguard's ETFs for their IRA.

Kill Joy - December 27, 2016, 8:07 pm

Bringing this back up for anyone who might be interested in this.

Corneliu Zelea Codreanu - December 27, 2016, 8:13 pm

With 1 Million dollars you could retire at age 30, they are enough money to live a regular life +.

Eagerkid - December 28, 2016, 8:14 am

I would start investing at age 25, and use a Roth IRA (unless you make a lot of money now and dont plan on making as much when you are older, then a traditional ira would work better for you)

xGuardian - December 28, 2016, 3:27 pm

I'm curious how many people have an extra \$5,000 to invest though.

Good concept, but we (least americans :/) are terrible as saving.

Kill Joy - December 28, 2016, 3:47 pm

(Dec 28, 2016 04:27 PM)Snipa120 Wrote: [\[CITE\]](#) I'm curious how many people have an extra \$5,000 to invest though.

Good concept, but we (least americans :/) are terrible as saving.

People can contribute monthly and set aside money. I at least make it an effort to max it out yearly (making around 21-23k a year). My future self will thank me.

Zexo - December 28, 2016, 3:49 pm

Great thread people start saving now and you will be living nicely when you retire.

xGuardian - December 28, 2016, 9:03 pm

(Dec 28, 2016 04:47 PM)Kill Joy Wrote: [\[CITE\]](#) People can contribute monthly and set aside money. I at least make it an effort to max it out yearly (making around 21-23k a year). My future self will thank me.

Your future self will definitely appreciate you :D

Michael9985 - December 29, 2016, 5:52 pm

Great thread! It's a good eye opener for people to invest. Especially in today's society, it is critical that you invest by yourself...we can't rely on social security, which will be a joke for most of us when we are able to retire.

Refraction - December 29, 2016, 6:24 pm

You might want to point out that Roth IRA benefits if you have a lower tax bracket now than you will in retirement. If you have lower tax in retirement your benefited by putting into a regular IRA first. You can put into both accounts and a 401k but obvious limitations.

Kill Joy - December 29, 2016, 6:26 pm

(Dec 29, 2016 07:24 PM)Refraction Wrote: [\[CITE\]](#) You might want to point out that Roth IRA benefits if you have a lower tax bracket now than you will in retirement. If you have lower tax in retirement your benefited by putting into a regular IRA first. You can put into both accounts and a 401k but obvious limitations.

Already talk about that. :)

NYCVN - December 29, 2016, 6:29 pm

I see you're aiming for one of the awards with the recent quality tutorials/threads you've been making.

I have already done this, great to see you sharing advice with the rest of the community.

Auswilly - December 29, 2016, 8:09 pm

This thread was very enlightening. Thank you for sharing this.

Abagblao55 - December 29, 2016, 11:29 pm

Very nice theard , good explained (y) ty sir

Ishmel - December 30, 2016, 7:11 pm

Lol no. I am young enough (teenager) and with enough money that I'll just buy silver when low and sell high. It's volatile and I'm happy to wait out the market. 401(k)'s and IRA force people to invest in the scam that is the stock market. Fuck that, I'll invest when my employer will match it.

justg - December 30, 2016, 7:29 pm

So what do you think would be the best option for me?

20-Something

Full Time student currently

Monthly earnings of income-taxable funds fluctuate with my school schedule - Up to \$1,500/Month May-August, otherwise less than \$600/month

Earnings of approximately another \$300/month of non-taxed income (Online sales from non tax withholding sites)

Kill Joy - December 30, 2016, 7:48 pm

(Dec 30, 2016 08:29 PM)justg Wrote: [\[CITE\]](#) So what do you think would be the best option for me?

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Earnings of approximately another \$300/month of non-taxed income (Online sales from non tax withholding sites)

For you I would split the savings. Right now focus on paying off your your student loans (assuming you will have some). Secondly, put aside some of that money money into an emergent savings fund. I would suggest for you right now to have about 3 months worth of work in a savings account for emergencies only.

Other than that, I would only contribute however much you feel comfortable with to a retirement account. Don't worry about maxing it out because in the future you will be given the opportunity to make up for years you were not able to max it out.

justg - December 31, 2016, 7:48 am

(Dec 30, 2016 08:48 PM)Kill Joy Wrote: [\[CITE\]](#) For you I would split the savings. Right now focus on paying off your your student loans (assuming you will have some). Secondly, put aside some of that money money into an emergent savings fund. I would suggest for you right now to have about 3 months worth of work in a savings account for emergencies only.

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Thanks for the feedback.

Yeah, I wasn't worried about maxing out per year, haha.

You're correct - I will have some decent sized student loans when I graduate. However, hopefully, after five or so years in my field I'll be able to make some strides and get a decent paying salary job.

I also have about \$8,000 worth in penny stocks accumulating that was set up when I was younger -

some of that will go into savings, and some of that will go towards whatever else.

When I am working when I'm back home - an hourly job, approximate \$300/week, some of that can definitely go in - I'm currently living at home with very few bills.

What are your recommendations for a savings fund/account - move to something online-based, or stay with my local bank? Local bank's basic savings account is \$5/year, with an APY of 0.01%.

Eagerkid - December 31, 2016, 9:08 am

(Dec 30, 2016 08:11 PM)Ishmel Wrote: [\[CITE\]](#) Lol no. I am young enough (teenager) and with enough money that I'll just buy silver when low and sell high. It's volatile and I'm happy to wait out the market. 401(k)'s and IRA force people to invest in the scam that is the stock market. Fuck that, I'll invest when my employer will match it.

That is the dumbest thing I have ever read in my life

Kill Joy - December 31, 2016, 9:32 am

(Dec 31, 2016 08:48 AM)justg Wrote: [\[CITE\]](#) Thanks for the feedback.

Yeah, I wasn't worried about maxing out per year, haha.

You're correct - I will have some decent sized student loans when I graduate. However, hopefully, after five or so years in my field I'll be able to make some strides and get a decent paying salary job.

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What are your recommendations for a savings fund/account - move to something online-based, or stay with my local bank? Local bank's basic savings account is \$5/year, with an APY of 0.01%.

Be wary of those penny stocks. That's pretty much the lowest interest rate you can get, 0.01% APY. I personally use Vanguard and cannot complain about them. I have a savings and retirement account with them. You should read up on them below.

<https://investor.vanguard.com/investing/goals>

Honestly a better place to ask these questions to get more answers, and possibly from professionals or people with a lot more experience, post on reddit.com/r/investing.

I also use my bank's savings account, but I have Navy Federal with \$5 minimum deposit and 0.25% APY.

Ordium - December 31, 2016, 1:01 pm

Thanks for the informative post!

Kill Joy - January 4, 2017, 6:14 pm

(Dec 31, 2016 02:01 PM)Ordium Wrote: [\[CITE\]](#) Thanks for the informative post!

I am glad you have found it informative!

Blackwell. - January 6, 2017, 10:15 am

I'll have to look into this more and i'll have to look into the down sides as well as the good sides. Nice share.

Kill Joy - January 10, 2017, 10:18 am

(Jan 6, 2017 11:15 AM)Blackwell. Wrote: [\[CITE\]](#) I'll have to look into this more and i'll have to look into the down sides as well as the good sides. Nice share.

Let me know if you have any questions about it.

Exemplification - January 10, 2017, 2:57 pm

Shit like this should be taught in state funded education tbh.

I started saving/investing for later life at 18. Even small amounts are better than none. Can only save \$50 per week at this point in your life? Thats still over \$100,000 by the time you're 60, in raw savings and most people will be able to save more later on in life.

Kill Joy - January 13, 2017, 2:50 pm

(Jan 10, 2017 03:57 PM)Exemplification Wrote: [\[CITE\]](#) Shit like this should be taught in state funded education tbh.

I agree! I was lucky to have a phenomenal economics and government teacher.

?-? ??? ????? - January 13, 2017, 2:52 pm

Well very HQ thread holy shit lol but I doubt people will simply because when you're young you're almost not expecting to live long enough to need a retirement plan.

Kill Joy - January 13, 2017, 2:54 pm

(Jan 13, 2017 03:52 PM).Hum Wrote: [\[CITE\]](#) Well very HQ thread holy shit lol but I doubt people will simply because when you're young you're almost not expecting to live long enough to need a retirement plan.

Why would people expect not to live long? With today's scientific advances in technology and medicine, people are living longer, things are becoming safer and more efficient.

Kill Joy - January 21, 2017, 8:38 pm

Bringing this back up. Only a few months left to contribute to your retirement account for the year!

severos - January 22, 2017, 10:35 am

It's actually an interesting thing, I've always thought of doing this, but living in a 3rd world country and planning to move out soon after graduation is killing me... Do you happen to know if I can open an international bank account somewhere and accumulate money over time there?? would be awesome if it got good interest rates too.

Kill Joy - January 22, 2017, 11:25 am

(Jan 22, 2017 11:35 AM)severos Wrote: [\[CITE\]](#) It's actually an interesting thing, I've always thought of doing this, but living in a 3rd world country and planning to move out soon after graduation is killing me... Do you happen to know if I can open an international bank account somewhere and accumulate money over time there?? would be awesome if it got good interest rates too.

Bank of America will let you create an account as a non-resident. You'll simply need your passport and another form of identification like a drivers license. Unfortunately you will have to come to America to open it I believe.

Once you have one opened you can use Western Union to transfer money into an international bank account.

Let me know if you have anymore questions.

severos - January 22, 2017, 8:36 pm

(Jan 22, 2017 12:25 PM)Kill Joy Wrote: [\[CITE\]](#) Bank of America will let you create an account as a non-resident. You'll simply need your passport and another form of identification like a drivers license. Unfortunately you will have to come to America to open it I believe.

Once you have one opened you can use Western Union to transfer money into an international bank account.

Let me know if you have anymore questions.

If I could come to America to open the account all problems would be solved long time ago... but I'm stuck here for couple more years =,=" don't happen to know a bank that I can open an account online??

???? - January 22, 2017, 8:39 pm

wait how the fuck do u get a 7% annual return. i didnt really read but wat

Kill Joy - January 22, 2017, 8:45 pm

(Jan 22, 2017 09:36 PM)severos Wrote: [\[CITE\]](#) If I could come to America to open the account all problems would be solved long time ago... but I'm stuck here for couple more years =,=" don't happen to know a bank that I can open an account online??

I'll look into this for you.

(Jan 22, 2017 09:39 PM)scorpi0n Wrote: [\[CITE\]](#) wait how the fuck do u get a 7% annual return. i didnt really read but wat

You think that's a high number? It's really not. You should read up on returns from the stock market throughout history:

<http://petetheplanner.com/what-rate-of-return-should-you-expect-on-your-investments/>

Exemplification - January 22, 2017, 10:26 pm

(Jan 22, 2017 09:39 PM)scorpi0n Wrote: [\[CITE\]](#) wait how the fuck do u get a 7% annual return. i didnt really read but wat

My IRA has averaged 9.6% over the past 3 years.

Kill Joy - January 28, 2017, 3:27 pm

(Jan 22, 2017 11:26 PM)Exemplification Wrote: [\[CITE\]](#) My IRA has averaged 9.6% over the past 3 years.

That is damn near mine too.

yujinng1 - January 29, 2017, 7:52 am

Great post! Got 2 questions.

What are the typical limitations of withdrawal; is it a fixed number of years?

And does different institutions' IRA/401ks differ much, or basically the same?

Waffle - January 29, 2017, 10:12 am

Great post. I am currently living in Europe and think I will be doing something similar to this but putting money in an index fund instead. I am also learning about investing but so far can't think of a good enough reason to not just use an index fund.

Kill Joy - January 29, 2017, 10:59 am

(Jan 29, 2017 08:52 AM)yujinng1 Wrote: [\[CITE\]](#) Great post! Got 2 questions.

What are the typical limitations of withdrawal; is it a fixed number of years?

And does different institutions' IRA/401ks differ much, or basically the same?

Yes, you have to wait till you are 59 1/2 until you are able to withdraw penalty-free.

401ks differ than an IRA in the way that it is an employer's retirement plan for you. Your employer may match up to a certain amount you contribute. A certain amount of your paycheck will be sent into the plan before tax. Any gains made will not be taxed, but all the money is subject to taxation when you reach retirement age and withdraw it. The maximums are higher than an IRA (\$5500) at

around \$17,500. If you are self employed, that is a different story and I forget how the contribution limits work right off the top of my head. With an IRA you are given the option to decide whether you want to contribute into a pre-taxed money account (Roth) or an account where you will be taxed when you withdraw (traditional).

VirtualMon3y - January 30, 2017, 12:00 pm

Good thread that people should seriously consider. I am currently setting mine up and it's actually very easy. The hard part is deciding what trusts or funds to invest in (so much choice) I am using a magazine called "money observer" to read up on investment managers, trusts and funds that are performing well.

(Jan 22, 2017 11:26 PM)Exemplification Wrote: [\[CITE\]](#) My IRA has averaged 9.6% over the past 3 years.

Would love to read up on what investments you have chosen. 9.6% is a very attractive return.

lucky. - January 30, 2017, 3:21 pm

Actually more useful than my entire high school economics course.

Exemplification - January 30, 2017, 5:21 pm

(Jan 30, 2017 01:00 PM)UKninja Wrote: [\[CITE\]](#) Good thread that people should seriously consider. I am currently setting mine up and it's actually very easy. The hard part is deciding what trusts or funds to invest in (so much choice) I am using a magazine called "money observer" to read up on investment managers, trusts and funds that are performing well.

Would love to read up on what investments you have chosen. 9.6% is a very attractive return. I honestly don't even know what my investments consist of. My IRAs and brokerage account are with Charles schwab and I just let my financial adviser (Financial Consultant as Schwab calls it with Schwab Private Client) make the decisions for both. Worked well so far because I don't have time to read and make educated decisions otherwise.

Kill Joy - February 9, 2017, 9:32 pm

Bringing this thread back up. :)

webdev77 - February 10, 2017, 6:41 am

(Feb 9, 2017 10:32 PM)Kill Joy Wrote: [\[CITE\]](#) Bringing this thread back up. :)

Vote to sticky. ?

Honestly everyone should know about this. It's going to be nice to retire and do whatever I want without worrying about money.

MrPip - February 11, 2017, 12:18 pm

I suggest many of you read:

https://www.amazon.com/Confessions-CPA-What-Taught-Turned/dp/0741471914/ref=sr_1_2?s=books&ie=UTF8&qid=1486844286&sr=1-2&keywords=confessions+of+a+cpa

Kill Joy - February 11, 2017, 12:33 pm

(Feb 11, 2017 01:18 PM)MrPip Wrote: [\[CITE\]](#) I suggest many of you read:

https://www.amazon.com/Confessions-CPA-What-Taught-Turned/dp/0741471914/ref=sr_1_2?s=books&ie=UTF8&qid=1486844286&sr=1-2&keywords=confessions+of+a+cpa

Do you mind explaining why people should?

Dr. Fritz - February 12, 2017, 5:13 am

Lol I need money now not when I'm old...

lucky. - February 12, 2017, 6:21 am

(Feb 12, 2017 06:13 AM)Meraxes Wrote: [\[CITE\]](#) Lol I need money now not when I'm old...

Setting aside a portion you can afford is the idea. Might not be able to right now, but at the point you can it'll be a good idea.

Kill Joy - February 12, 2017, 8:25 am

(Feb 12, 2017 06:13 AM)Meraxes Wrote: [\[CITE\]](#) Lol I need money now not when I'm old...

Don't be ignorant of the fact that you need money more when you're older than when you're younger. If you don't save money now, enjoy being a greeter at Walmart, smiling awkwardly at customers because your arthritic hands won't allow you to be a cashier and you won't be able to make as much income, surviving off ramen because that's all you can afford along with cat food, only to die to heart disease or a stroke from eating too much ramen.

Grizzlies - February 12, 2017, 10:12 am

This is the go to key of life. Kill joy recommended me this and sounds like a step taker to do in life.

Thread is really useful by far :)

Kill Joy - February 12, 2017, 10:28 am

(Feb 12, 2017 11:12 AM)Grizzlies Wrote: [\[CITE\]](#) This is the go to key of life. Kill joy recommended me this and sounds like a step taker to do in life.

Thread is really useful by far :)

PM me if you ever have any questions in regards to this. :)

Updated the thread for the year 2017.

VirtualMon3y - February 12, 2017, 10:38 am

(Feb 12, 2017 11:28 AM)Kill Joy Wrote: [\[CITE\]](#) PM me if you ever have any questions in regards to this. :)

Updated the thread for the year 2017.

I for one would be interested to know some of the funds/trusts you have invested in and what % returns you are seeing.

Kill Joy - February 12, 2017, 10:43 am

(Feb 12, 2017 11:38 AM)UKninja Wrote: [\[CITE\]](#) I for one would be interested to know some of the funds/trusts you have invested in and what % returns you are seeing.

I started my account in July and maxed it out over the course of a few months. I invested in a mutual fund (VTTSX) and am looking at an 8.5% return right now. I plan on adding to the same fund for this year and my 3rd year I plan on looking into admiral shares but also diversifying. Probably in 5 years I'll be able to diversify into 3 different funds.

VirtualMon3y - February 12, 2017, 11:33 am

(Feb 12, 2017 11:43 AM)Kill Joy Wrote: [\[CITE\]](#) I started my account in July and maxed it out over the course of a few months. I invested in a mutual fund (VTTSX) and am looking at an 8.5% return right now. I plan on adding to the same fund for this year and my 3rd year I plan on looking into admiral shares but also diversifying. Probably in 5 years I'll be able to diversify into 3 different funds.

Interesting, I took a look at the funds performance. Seems to be doing well.

I'm intending on investing in about 4/6 funds to start off with this month, then diversifying into trusts as I learn more about it over the coming years. I'm using moneyobserver.com and their magazine subscription for research.

Kill Joy - February 12, 2017, 11:41 am

(Feb 12, 2017 12:33 PM)UKninja Wrote: [\[CITE\]](#) Interesting, I took a look at the funds performance. Seems to be doing well.

I'm intending on investing in about 4/6 funds to start off with this month, then diversifying into trusts as I learn more about it over the coming years. I'm using moneyobserver.com and their magazine subscription for research.

If you're just getting started in an IRA, you won't be able to do that. Most funds require \$3000 to start. The contribution limit is \$5500, so you won't be able to diversify that big for a few years.

Yin Yang - February 12, 2017, 11:42 am

I already got the 401k rolling boy

VirtualMon3y - February 12, 2017, 11:54 am

(Feb 12, 2017 12:41 PM)Kill Joy Wrote: [\[CITE\]](#) If you're just getting started in an IRA, you won't be able to do that. Most funds require \$3000 to start. The contribution limit is \$5500, so you won't be able to diversify that big for a few years.

Different in the UK but money in isn't an worry. Here you can put £40k a year into my SIPP (self invested personal pension) before I have paid any income tax on it (I will pay tax when I withdraw it). Although I did get it the wrong way round... I will invest in a number of funds first then look to trusts to diversify my investments.

MrPip - February 13, 2017, 11:15 am

(Feb 11, 2017 01:33 PM)Kill Joy Wrote: [\[CITE\]](#) Do you mind explaining why people should?It debunks the common misconceptions of retirement/investing. Many of the calculations today does not include taxes/inflation and other factors. It's a mind blowing book mate. Mathematical scenarios, common topics; it's gold.

Kill Joy - March 6, 2017, 4:36 pm

Bringing this back up. Working on an emergency fund and general savings plan thread.

thetravelwell - March 8, 2017, 8:00 pm

its a pain because most people are in debt and need every penny they make to pay that debt down before starting a savings account.

Kill Joy - March 20, 2017, 5:55 pm

(Mar 8, 2017 09:00 PM)thetravelwell Wrote: [\[CITE\]](#) its a pain because most people are in debt and need every penny they make to pay that debt down before starting a savings account.

You can always invest with debt. You just need to set priorities and goals to pay off your debt.

Steamed Oranges - March 22, 2017, 3:28 pm

(Mar 20, 2017 05:55 PM)Kill Joy Wrote: [\[CITE\]](#) You can always invest with debt. You just need to set priorities and goals to pay off your debt.

"You can always win it back"

Ben Affleck - March 22, 2017, 7:53 pm

Well now i'll look into this as it might be right for me.

Kill Joy - April 24, 2017, 8:47 pm

Bringing this back up to save you gents some future heartache.

VirtualMon3y - April 25, 2017, 1:07 am

(Apr 24, 2017 08:47 PM)Kill Joy Wrote: [\[CITE\]](#) Bringing this back up to save you gents some future

heartache.

Haha you are all heart OP ?

Seriously tho this is good advice people. Hey Kill Joy have you seen this article? Ethereum been added to a retirement platform.

<https://btcmanager.com/you-can-now-put-ethereums-ether-in-your-retirement-fund/>

Kill Joy - May 17, 2017, 3:28 pm

Bringing this thread to the top. If you have any questions, feel free to ask or PM me.

Grizzlies - May 17, 2017, 3:52 pm

Created one months back cause of this dude.

???? - May 17, 2017, 3:55 pm

and how the fuck do i get a 7% annual return lol

Kill Joy - May 17, 2017, 4:09 pm

(May 17, 2017 03:55 PM)scorpiOn Wrote: [\[CITE\]](#) and how the fuck do i get a 7% annual return lol
7% isn't actually a huge return. It's a pretty common average. Right now my retirement account for the year is at 11.38% returns. That's huge lol.

I have my money in a mutual fund that a brokerage company, Vanguard, allocates my assets themselves.

Badmike4444 - June 4, 2017, 7:53 am

What's the difference between these ira accounts and creating a bank account where you save your money in the same way?

Do You Want To Bet - June 4, 2017, 7:59 am

Man I just wanna go flex

Gold on my teeth and on my neck

Fun Guy - June 4, 2017, 11:33 am

(Jun 4, 2017 07:53 AM)Badmike4444 Wrote: [\[CITE\]](#) What's the difference between these ira accounts and creating a bank account where you save your money in the same way?

With the IRA you invest the money into the stock market and get average returns of 6-8% yearly, where with a bank the money sits there in a low-yield savings account that has nowhere near those returns.

Kill Joy - July 16, 2017, 8:18 pm

Bringing this back up. Your future self will thank you if you start saving for retirement early!

James Harden - August 8, 2017, 10:46 am

Anyway to do this with Crypto Currency xD?

Kill Joy - August 8, 2017, 10:56 am

(Aug 8, 2017 10:46 AM)James Harden Wrote: [\[CITE\]](#) Anyway to do this with Crypto Currency xD?
No. Nor would I try.

boost - August 8, 2017, 11:12 am

Thoughts on SEP Ira? Heard it's better than both traditional and roth.

Kill Joy - October 21, 2017, 1:16 pm

This is still one my most valuable threads.

My retirement account has 17.8% returnable YTD. That's insane. At my current rate at a modest 8% return each year, I'll have over \$2,000,000 when I retire.

Woods - November 8, 2017, 9:06 pm

I'm bumping this thread, Kill Joy is making some great investments for his life and can't wait to start doing the same. I will be opening an IRA next time I'm at the bank.

FaberCastell - November 9, 2017, 8:59 am

S&P index is 17.8% YTD. Did you just invest into it?

Kill Joy - November 9, 2017, 10:37 am

(Nov 9, 2017 09:59 AM)FaberCastell Wrote: [\[CITE\]](#) S&P index is 17.8% YTD. Did you just invest into it?

My retirement account is in a mutual fund. I don't have the time to manage it for myself right now so it's just in a target date fund with Vanguard.

19.9% returns YTD

<https://i.imgur.com/0R7kDrl.png>

Let me know if you have any questions. :)

Hustla - November 9, 2017, 11:09 am

Solid thread. It's always good to invest for the future.

Kill Joy - March 6, 2018, 2:28 pm

Updated for 2018. New and higher limits for 401k contributions. :)

2SLiCKZ - March 6, 2018, 11:07 pm

Gunna read this later, thanks bro.

Kill Joy - March 13, 2019, 2:16 pm

Updated for the year 2019.

Hack Forums - March 21, 2019, 4:26 am

So what are the chances of a company like this going bust?

If someone like myself, 20 year old, were use an IRA, the company would have to still be standing after 40 years.

xGuardian - March 21, 2019, 7:06 am

(Mar 21, 2019 04:26 AM)Hack Forums Wrote: [\[CITE\]](#) So what are the chances of a company like this going bust?

If someone like myself, 20 year old, were use an IRA, the company would have to still be standing after 40 years.

I'm confused? What do you mean the company would have to be standing after 40 years? If you mean the company your IRA is with, if they go under? You'd just move your account typically.

You're not really investing in them, you're letting them manage your money to invest in companies. Now if the stock market crashes and all shit goes to high hell, that'd be your issue ?

Correct me if wrong OP :) I don't have a IRA I just invest myself :3

Kill Joy - March 21, 2019, 7:07 am

(Mar 21, 2019 04:26 AM)Hack Forums Wrote: [\[CITE\]](#) So what are the chances of a company like this going bust?

If someone like myself, 20 year old, were use an IRA, the company would have to still be standing after 40 years.

Different banks and offer to be a brokerage for your IRA. You can roll the IRA into any company you want if you're not happy with the currency.

The one I recommended, Vanguard, has been around longer than 40 years already.

Spaark - March 22, 2019, 7:14 pm

Great thread. Saving is something people don't tend to think about during their best years.

Career Progression is key though.

GettingRich - March 29, 2019, 7:54 am

Very nice thread indeed

Made me rethink twice !

Bulgarian - March 30, 2019, 9:32 am

Sorry to be so naive, but is there a chance that when you get to 60 years old, the money might be gone? Like a bank bankruptcy or something that would affect the bank. Is there a guarantee or insurance for the money we put into savings accounts?

Kill Joy - March 30, 2019, 9:37 am

(Mar 30, 2019 09:32 AM)WhiteG Wrote: [\[CITE\]](#) Sorry to be so naive, but is there a chance that when you get to 60 years old, the money might be gone? Like a bank bankruptcy or something that would affect the bank. Is there a guarantee or insurance for the money we put into savings accounts?

Most banks insure up to \$250,000. SIPC insures up to \$500,000 But look at the history of the company you put your money with. Vanguard has been around over 50 years. They're not going bankrupt (and it's investor owned, unlike any other brokerage). They also have secured additionally security up to a customer limit of \$49.5m. The government also bailed out the banks in 2008. You're safe.

Shockley - June 12, 2019, 8:37 pm

save as much as you can, yes, then put it all in real estate. reinvest profits. congrats in 30 years you're filthy rich